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June 21, 2004

VIA EMAIL AND COURIER

Mr. Dennis Johnson
Wireline Competition Bureau
Federal Communications Commission
The Portals
445 Twelfth Street, S.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: **File No. WC 04-221:** *In the Matter of Application of PAETEC Communications, Inc., Transferee, and Covista, Inc., Covista of New York, Inc. and Capsule Communications, Inc., Transferors, for International and Domestic Section 214 Authority To Transfer Certain Assets and Long Distance Customers in Selected States -- Second Supplemental Filing*

Dear Dennis:

On behalf of PAETEC Communications, Inc. ("PAETEC") and Covista, Inc., Covista of New York, Inc., and Capsule Communications, Inc. (collectively, the "Covista Companies") (together with PAETEC, the "Applicants"), this letter responds to your request for additional information regarding (1) the assets that are the subject of the above referenced application ("Application") and (2) the corporate relationship of the individual Covista Companies.

1. The proposed asset transfer will involve the transfer to PAETEC of the following assets:
 - Certain commercial long distance customer accounts in New Jersey and Pennsylvania currently served by Covista, Inc.
 - Certain commercial long distance customers accounts in New York currently served by Covista of New York, Inc.
 - Two (2) switches and associated equipment, including gear, cards and racks. The switch located in New York City is owned by Covista of New York, Inc.; the switch located in Bensalem, Pennsylvania is owned by Capsule Communications, Inc.
 - Non-telecommunications assets, including office furniture, computers and related equipment, general office supplies.
2. Covista, Inc. and Capsule Communications, Inc. are direct, wholly owned subsidiaries of Covista Communications, Inc., a holding company. Covista of New York, Inc. is a direct, wholly owned subsidiary of Covista, Inc.

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Mr. Dennis Johnson

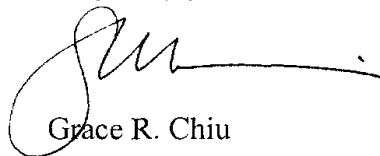
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In addition to the foregoing supplemental information, Applicants take this opportunity to clarify and expand upon information in the Application regarding the proposed customer base transfer. Specifically, the Application states that the transaction will involve the transfer of certain commercial long distance customers located in three states (New Jersey, New York and Pennsylvania). Further due diligence and review and analysis of the customer list indicates, however, that the transaction will also involve some commercial long distance customers in additional states. As a consequence, Applicants are filing applications for regulatory approval in four other states (California, Delaware, Florida, and Ohio). Applicants therefore notify the Commission that the subject transaction will also involve the transfer of some commercial long distance customers in these four states and, moreover, could involve a small number of commercial customers in additional states. The complete list of states (and the number of customers in each such state) remains to be determined because PAETEC is in the process of examining the various commercial long distance customer contracts to identify those accounts that most closely align with PAETEC's physical network and which are most consistent with its long term business strategy. Applicants emphasize that regardless of their ability at this time to provide a complete list of the states involved, all affected customers of the Covista Companies will given prior written notice of the transfer to PAETEC in compliance with the Commission's rules, 47 C.F.R. § 64.1200(e).

Please let me know if there are any questions.

Very truly yours,



Grace R. Chiu

Counsel for PAETEC Communications, Inc.

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